

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	§	Chapter 11
	§	
W.R. GRACE & Co., <u>et al.</u>,	§	Case No. 01-01139 (JKF)
	§	(Jointly Administered)
	§	
Debtors	§	

CERTIFICATION OF COUNSEL

The undersigned hereby certifies that:

1. FTI Policano & Manzo (“FTI”) filed its Fourth Quarterly Application for Interim Professional Compensation in which it sought \$197,137.00 legal fees and reimbursement of \$6,334.22 for expenses (the “Application”).
2. On or about June 14, 2002, Warren H. Smith & Associates (“Smith”), fee auditor appointed by Order of the Court dated March 18, 2002, served an initial report (the “Initial Report”) upon FTI based upon its review of the Application.
3. On June 28, 2002, FTI responded to the Initial Report. Based on that response, Smith filed a final report regarding the Application (the “Final Report”) in which Smith recommended approving fees totaling \$170,248.50 (\$197,137.00 minus \$26,888.50) and expenses totaling \$4,094.42 (\$6,334.22 minus \$2,239.80).
4. FTI has subsequently provided Smith with additional information which has caused Smith to revise his recommendation. Specifically FTI has provided information demonstrating the necessity of having two professionals attend the meeting of March 12, 2002, as set forth in paragraph 9 of the Final Report, so that Smith now seeks no reduction for this meeting. Also FTI has demonstrated the value of some of the tasks described in paragraph 10 of the Final

Report, so that Smith now seeks a reduction of only \$455.00 regarding paragraph 10. Finally, FTI has demonstrated that some of the topics covered at the seminar discussed in paragraph 11 were topics that FTI would have to research anyway, and Smith has changed his recommended reduction regarding paragraph 11 to \$2,900.00 in fees and \$1,22.45 in expenses. Thus FTI and Smith have resolved all remaining outstanding issues as follows, and without prejudice to either party raising or contesting similar issues in future fee applications:

(a) FTI shall reduce its fees sought in the Application by \$19,908.50
and


(b) FTI shall reduce the expenses sought in the Application by \$1,748.30

5. FTI and Smith therefore request the entry of the proposed order attached hereto approving the Application allowing compensation in the amount of \$177,228.50 and the reimbursement of reasonable and necessary expenses in the amount of \$4,585.92.

DATED: August 23, 2002

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 
Warren H. Smith
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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served First Class United States mail to the attached service list on this 23rd day of August, 2002.



Warren H. Smith

SERVICE LIST

Notice Parties

The Applicant

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The Debtors

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